

COM 7

(COM7.BK/COM7 TB)*

Neutral · Maintained

Price as of 4 April 2023	29.75
12M target price (Bt/shr)	37.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	24.4

Key messages

เราคาดแนวโน้มกำไรสุทธิของ COM7 ในระยะสั้นยังไม่มั่นคง ขณะที่กำไรระยะยาว (โดยเฉพาะในแง่ของการขยายธุรกิจ) จะเป็นปัจจัยหลักที่ต้องเฝ้าติดตาม ทั้งนี้ เรายังคงคำแนะนำ “ถือ” ราคาเป้าหมายสิ้นปี 2566 ที่ 37.00 บาท

Trading data

Mkt cap (Btmn/US\$m)	70,200/1,755
Outstanding shares (mn)	2,400
Foreign ownership (mn)	135
3M avg. daily trading (mn)	13
52-week trading range (Bt)	27.0 – 42.8
Performance (%)	3M 6M 12M
Absolute	-15.2 -3.3 -31.2
Relative	-11.1 -3.8 -26.7

Quarterly EPS

	1Q	2Q	3Q	4Q
2020	0.24	0.23	0.31	0.46
2021	0.47	0.49	0.48	0.76
2022	0.33	0.17	0.20	0.25

Share price chart



Source: SET

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ประมาณการ 1Q66F: คาดกำไรเพิ่มขึ้น YoY แต่ลด QoQ

Event

เราคาดกำไรสุทธิของ COM7 ใน 1Q66 ที่ 800 ล้านบาท (+2% YoY และ -12% QoQ) คิดเป็น 23% จากประมาณการกำไรสุทธิเต็มปีของเรา กำไรเติบโต YoY จากยอดขายเติบโตแข็งแกร่งหนุนจากการขยายสาขาเป็นหลัก ขณะที่กำไรลดลง QoQ เป็นเพราะปัจจัยฤดูกาล

Impact

คาดยอดขายเติบโตจากการขยายสาขา

เราคาดยอดขายของ COM7 ใน 1Q66 อยู่ที่ 1.67 หมื่นล้านบาท (+14% YoY แต่ -11% QoQ) หากเป็นไปตามที่เราคาด ยอดขาย 1Q66 จะคิดเป็น 23% จากประมาณการเต็มปีปัจจุบันของเรา การที่ยอดขายเติบโต YoY จะมาจากขยายสาขาเป็นหลัก ในขณะที่ยอดขายลดลง QoQ เป็นเพราะปัจจัยฤดูกาล ทั้งนี้ จำนวนสาขา รวมโดยรวมนอยู่ที่ ~1,100 สาขา ณ สิ้นงวด 1Q65 เทียบกับ ~1,200 สาขา เมื่อสิ้นงวด 1Q66

ความสามารถในการทำกำไรยังไม่มั่นคงและมีค่าใช้จ่ายเพิ่มขึ้น

เราคาดอัตรากำไรขั้นต้นจะอ่อนตัวลงใน 1Q66 อยู่ที่ 13.3% (-0.3ppts YoY และ +0.3ppts QoQ) เป็นผลมาจาก i) ผู้มีส่วนได้จากรายได้จาก Smartphone โดยเฉพาะ iPhone ยังคงอยู่ในสัดส่วนที่สูง (เป็นผลจากมีการขนส่งสินค้าล่าช้ากว่ากำหนดใน 4Q65 และโครงการช้อปดีมีคืน (Shop and Payback) ของรัฐบาล ใน 1Q66) และ ii) การที่บริษัทมาตัวแทนกระจายสินค้า (Realme) ขณะที่คาดว่าสัดส่วน SG&A ต่อยอดขายจะอยู่ที่ 7.3% ใน 1Q66 (เทียบกับ 7.1% ใน 1Q65 และ 6.5% ใน 4Q65) ซึ่งเป็นผลมาจากค่าใช้จ่ายต่างๆ ที่เพิ่มขึ้นได้แก่ ต้นทุนค่าแรงงาน (คิดเป็นราว 2% ของยอดขายรวม) ต้นทุนค่าสาธารณูปโภค (คิดเป็นราว 0.3% ของยอดขายรวม) และต้นทุนค่านานาส่ง (คิดเป็นราว 0.2% ของยอดขายรวม) ในด้านต้นทุนทางการเงิน เราคาดว่าเพิ่มขึ้นอยู่ที่ 26 ล้านบาทใน 1Q66 เพิ่มขึ้นจาก 18 ล้านบาทใน 1Q65 เป็นเพราะอัตราดอกเบี้ยสูงขึ้นและมีเงินกู้ออกเพิ่มขึ้น ทั้งนี้ หนี้สินที่มีภาระดอกเบี้ย ณ สิ้นงวด 4Q65 อยู่ที่ 5.2 พันล้านบาท เทียบกับ 3.8 พันล้านบาทสิ้นงวด 4Q64

คาดการณ์กำไรสุทธิมี upside จำกัด

แม้ว่า COM7 จะรุกขยายสาขาต่อเนื่อง (ตั้งเป้าไว้ 1,400 สาขาในปีนี้) เราคาดว่าอุปสงค์ของผู้บริโภคยังเป็นปัจจัยหลักที่ท้าทาย (โดยเฉพาะ smartphone คิดเป็นสัดส่วนราว 60% ของยอดขายรวม) ทั้งนี้ฝ่ายวิจัยของ KGI ที่ประเทศไต้หวันมีมุมมองเชิงลบ (bearish) ต่อแนวโน้มการขนส่ง smartphone ที่อาจหืดหัวราว 6% YoY ในปี 2566 ในขณะที่การกระจายความเสี่ยงทางธุรกิจ (business diversification) ได้แก่ DR.PHARMA ร้าน Petpaw Store และ iCare insurance ยังคงอยู่ในช่วงเริ่มต้น ซึ่งอาจมีค่าใช้จ่ายในช่วงเริ่มต้นธุรกิจ เราคาดว่าประมาณการกำไรสุทธิเต็มปี 2566 ของเรามี upside จำกัด ขณะที่ในระยะยาว ผลเชิงบวกที่จะเกิดจากการรวมธุรกิจ (synergy) จากการขยายสาขาเรานี้เป็นเรื่องที่ควรเฝ้าติดตามต่อไป

Valuation & action

เรายังคงเป้าหมายสิ้นปี 2566 เอาไว้ที่ 37.00 บาท อิงจาก PER ที่ 26.0x (ค่าเฉลี่ยในอดีตของ COM7) และคงคำแนะนำ “ถือ”

Risks

อุปสงค์ smartphones ต่ำเกินคาด, รายได้จากการขายอุปกรณ์เสริมต่ำเกินคาด และมีการจัดกิจกรรมส่งเสริมการขายมากกว่าที่คาดไว้

Key financials and valuations

Year end	Dec 31	Dec-19A	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Btmn)	33,362	37,306	51,126	62,733	71,448	82,583	
Gross profit (btmtn)	4,416	4,710	6,846	8,435	9,733	11,281	
SG&A (Btmn)	2,925	2,986	3,761	4,703	5,380	6,312	
Net profit (Btmn)	1,216	1,491	2,630	3,038	3,467	3,993	
Normalized profit (Btmn)	1,217	1,486	2,608	3,040	3,467	3,993	
EPS (Bt)	1.01	1.24	2.19	1.27	1.44	1.66	
Normalized EPS (Bt)	1.01	1.24	2.17	1.27	1.44	1.66	
DPS (Btmn)	0.80	1.00	1.00	0.75	0.58	0.67	
EPS growth (%)	36.5	22.6	76.5	(42.3)	14.1	15.2	
Normalized EPS growth (%)	37.8	22.1	75.5	(41.7)	14.0	15.2	
P/E (X)	28.1	31.3	37.6	26.8	20.6	17.9	
P/B (X)	10.1	12.0	18.5	11.3	8.0	6.2	
EV/EBITDA (X)	20.3	23.0	29.6	20.7	15.4	13.5	
Net debt to Equity (%)	24.7	10.6	40.4	53.3	45.9	32.8	
Dividend yield (%)	2.8	2.6	1.2	2.2	1.9	2.2	
Return on Equity (%)	39.5	41.1	57.4	48.4	42.9	39.1	

Source: Company data, KGI Research

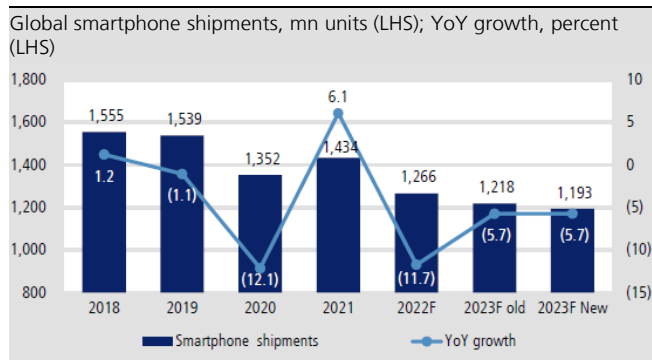
*The Company may be issuer of Derivative Warrants on these securities.

http://research.kgi.com; Bloomberg: KGIT <GO> Please see back page for disclaimer

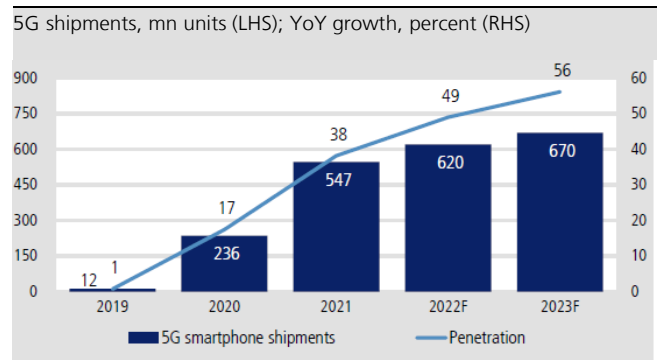
Figure 1: COM7's 1Q23F earnings preview

Btmn	1Q23F	1Q22	%YoY	4Q22	%QoQ
Revenue from sales	16,737	14,646	14.3	18,778	(10.9)
Cost of goods sold	14,507	12,644	14.7	16,325	(11.1)
Gross profit	2,230	2,002	11.4	2,454	(9.1)
SG&A expense	1,222	1,045	16.9	1,215	0.6
EBIT	1,043	993	5.0	1,216	(14.2)
Finance cost	(26)	(18)	41.3	(36)	(28.3)
Equity income	18	20	(10.5)	20	(10.9)
Net profit	800	783	2.2	910	(12.0)
Normalized profit	800	786	1.8	914	(12.4)
EPS (Bt)	0.22	0.33	(31.9)	0.25	(12.0)
Normalized EPS (Bt)	0.22	0.33	(32.1)	0.25	(12.4)
Percent	1Q23F	1Q22	ppts YoY	4Q22	ppts QoQ
Gross margin	13.3	13.7	(0.3)	13.1	0.3
SG&A to sales	7.3	7.1	0.2	6.5	0.8
EBIT margin	6.2	6.8	(0.6)	6.5	(0.2)
Net margin	4.8	5.3	(0.6)	4.8	(0.1)

Source: Company data, KGI Securities Research

Figure 2: Global smartphone demand decline in 2023F


Source: Gartner; KGI Securities Research (Taiwan)

Figure 3: Rising 5G smartphone penetration, but slowing


Source: Gartner; KGI Securities Research (Taiwan)

Figure 4: Key assumptions

Assumption	unit	2016	2017	2018	2019	2020	2021	2022	2023F	2024F
Sales	Btmn	17,136	22,531	27,917	33,362	37,306	51,126	62,733	71,448	82,583
Sales growth	%YoY	14.5	31.5	23.9	19.5	11.8	37.0	22.7	13.9	15.6
Store (year end)	stores	370	434	646	787	912	1,012	1,162	1,212	1,312
New store	stores	83	64	212	141	125	100	150	50	100
Gross margin	percent	13.7	13.4	13.0	13.2	12.6	13.4	13.4	13.6	13.7
SG&A to sales	% to sales	10.9	10.1	9.1	8.8	8.0	7.4	7.5	7.5	7.6
EBIT margin	percent	3.1	3.5	4.1	4.7	5.0	6.3	6.3	6.3	6.3
Net margin	percent	2.4	2.7	3.2	3.6	4.0	5.1	4.8	4.9	4.8

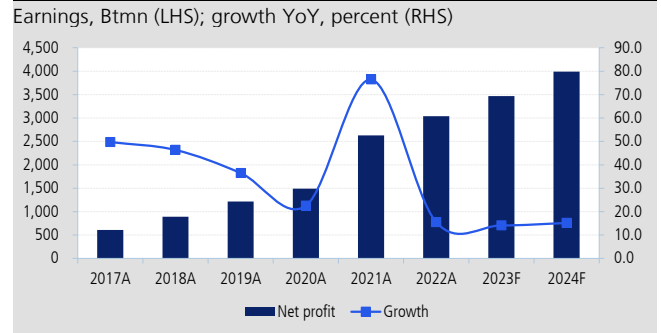
Source: KGI Securities Research

Figure 5: Company profile

Founded in 2004, COM 7 (COM7) is a leading IT retailer selling products ranging from laptops, desktops, smartphones, tablets, printers, audio equipment, and other accessories. COM7 is one of a few authorized resellers of Apple products, which accounted for 48% of its total sales in 2017, in Thailand. Since listing on SET in 2015, the company has continually expanded its distribution network (787 branches as of 2019). COM7 is diversifying its portfolio by depending less on Apple product sales and more on other smartphone brands.

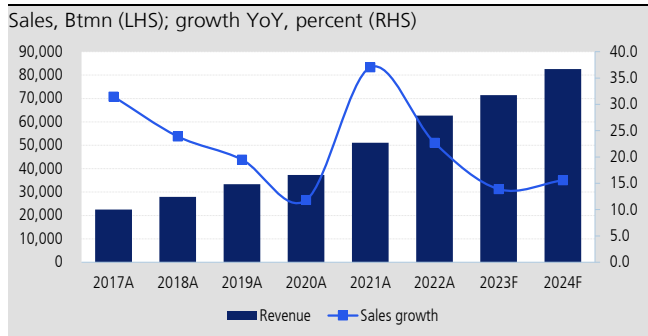
Source: Company data

Figure 6: Earnings



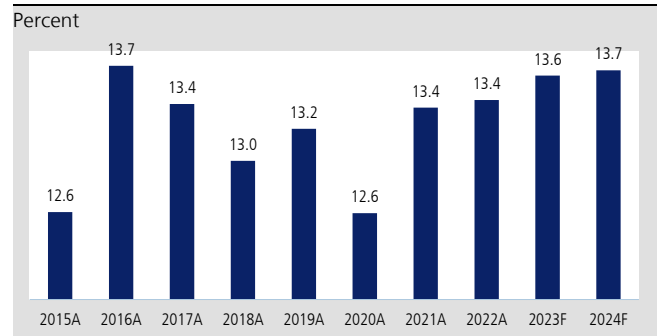
Source: Company data, KGI Securities Research

Figure 7: Solid growth



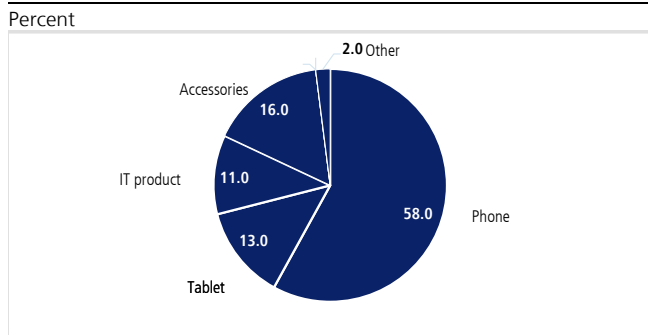
Source: Company data, KGI Securities Research

Figure 8: Gross margin assumptions



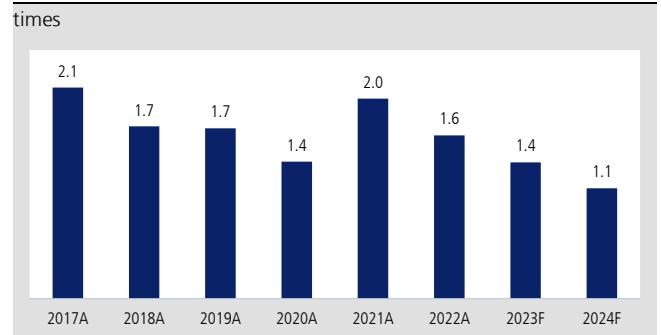
Source: Company data, KGI Securities Research

Figure 9: Sales breakdown



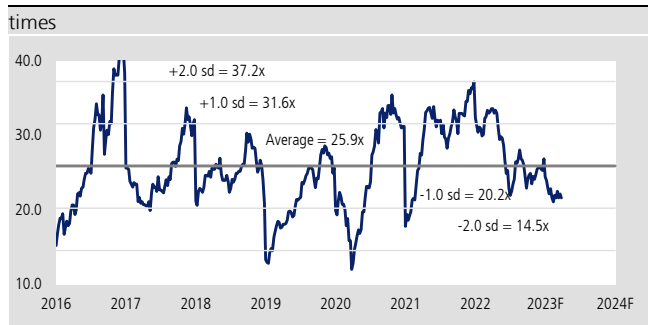
Source: Company data, KGI Securities Research

Figure 10: Net D/E



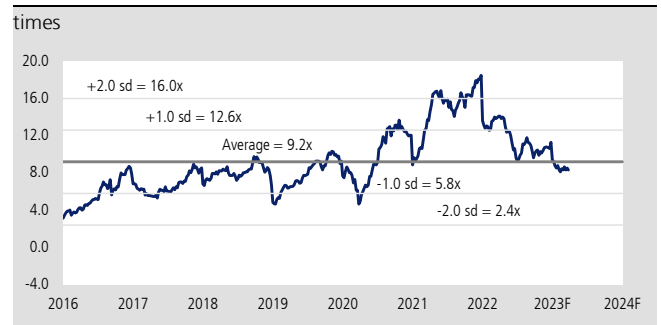
Source: Company data, KGI Securities Research

Figure 11: PER



Source: KGI Securities Research

Figure 12: PBV



Source: KGI Securities Research

Quarterly Income Statement

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A
Income Statement (Btmn)												
Revenue	8,143	7,745	8,974	12,444	11,963	11,535	10,069	17,558	14,646	14,420	14,888	18,778
Cost of good sold	7,020	6,799	7,833	10,944	10,405	9,986	8,563	15,326	12,644	12,517	12,813	16,325
Gross profit	1,123	946	1,141	1,500	1,558	1,550	1,506	2,232	2,002	1,904	2,075	2,454
Operating expense	805	623	715	843	885	875	852	1,149	1,045	1,153	1,142	1,215
Other income	3	22	10	12	3	4	6	15	17	23	17	(42)
Operating profit	321	345	436	669	676	678	661	1,098	974	773	951	1,196
Depreciation of fixed asset	41	41	42	43	44	44	46	49	50	52	58	23
Operating EBITDA	363	385	478	712	719	723	707	1,147	1,023	825	1,009	1,219
Non-Operating income	0	0	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0
Other non-op. income	0	0	0	0	0	0	0	0	0	0	0	0
Non-Operating expense	(18)	(13)	(12)	(10)	(9)	(12)	(14)	(13)	(18)	(24)	(25)	(36)
Interest expense	(18)	(13)	(12)	(10)	(9)	(12)	(14)	(13)	(18)	(24)	(25)	(36)
Other non-op. expense	0	0	0	0	0	0	0	0	0	0	0	0
Equity income	49	7	25	20	23	23	23	28	20	2	3	20
Pre-tax profit	353	338	449	679	689	689	670	1,113	975	752	929	1,180
Current taxation	(66)	(67)	(79)	(116)	(128)	(104)	(107)	(216)	(190)	(132)	(198)	(248)
Minorities	(2)	(3)	(3)	11	(0)	(2)	2	(2)	(1)	(0)	8	19
Extra items	0	1	(1)	4	4	(0)	10	8	(3)	1	2	(4)
Net profit	288	275	372	556	566	587	571	907	783	620	725	910
Normalized profit	288	273	373	552	562	587	560	899	786	619	722	914
EPS (Bt)	0.24	0.23	0.31	0.46	0.47	0.49	0.48	0.76	0.33	0.17	0.20	0.25
Normalized EPS (Bt)	0.24	0.23	0.31	0.46	0.47	0.49	0.47	0.75	0.33	0.17	0.20	0.25
Margin (%)												
Gross profit margin	13.8	12.2	12.7	12.1	13.0	13.4	15.0	12.7	13.7	13.2	13.9	13.1
Operating EBIT margin	3.9	4.4	4.9	5.4	5.6	5.9	6.6	6.3	6.6	5.4	6.4	6.4
Operating EBITDA margin	4.5	5.0	5.3	5.7	6.0	6.3	7.0	6.5	7.0	5.7	6.8	6.5
Net profit margin	3.5	3.5	4.1	4.5	4.7	5.1	5.7	5.2	5.3	4.3	4.9	4.8
Growth (%YoY)												
Revenue growth	6.9	(0.1)	17.8	19.9	46.9	48.9	12.2	41.1	22.4	25.0	47.9	6.9
Operating EBIT growth	0.6	(6.9)	22.3	41.4	110.4	96.8	51.4	64.2	44.1	14.0	43.9	8.9
Operating EBITDA growth	0.7	(6.5)	19.6	37.5	98.4	87.6	47.8	61.1	42.2	14.2	42.8	6.3
Net profit growth	15.1	(6.7)	29.7	44.4	96.5	113.9	53.2	63.2	38.5	5.6	27.0	0.3
Normalized profit growth	14.8	(7.2)	30.1	43.4	95.1	115.0	50.2	62.8	39.9	5.4	29.0	1.6

Source: Company data, KGI Research

Balance Sheet

As of 31 Dec (Btmn)	2019	2020	2021	2022	2023F	2024F
Total Assets	9,160	9,207	15,966	19,162	21,147	24,312
Current Assets	7,217	5,861	11,886	13,362	14,746	17,137
Cash&ST Investment	1,304	872	1,657	1,335	1,106	1,421
Inventories	4,819	3,664	6,208	7,333	8,335	9,630
Account Receivable	926	864	2,707	3,716	4,232	4,891
Other	167	460	1,314	978	1,073	1,195
Non-current Assets	1,943	3,346	4,080	5,801	6,401	7,175
LT Investment	513	675	774	1,517	1,728	1,997
Net Fixed Assets	532	506	615	873	863	857
Others	898	2,165	2,691	3,410	3,810	4,321
Total Liabilities	5,784	5,336	10,665	11,911	12,228	12,787
Current liabilities	5,629	4,430	9,751	11,169	11,910	12,419
Account Payable	3,349	2,464	5,106	4,909	5,580	6,447
ST borrowing	2,139	1,283	3,801	5,204	5,204	5,204
Others	142	683	844	1,056	1,126	768
Long-term liabilities	154	906	914	741	318	368
Long-term debts	0	0	0	0	0	0
Others	154	906	914	741	318	368
Shareholders' Equity	3,376	3,871	5,301	7,252	8,919	11,525
Common stock	300	300	300	600	600	600
Capital surplus	899	899	899	899	899	899
retained earnings	2,145	2,638	4,070	5,489	7,156	9,762
Preferred stock						

Source: KGI Research

Key Ratios

Year to 31 Dec	2019	2020	2021	2022	2023F	2024F
Growth (%YoY)						
Sales	19.5	11.8	37.0	22.7	13.9	15.6
OP	35.0	16.6	75.8	25.1	19.1	14.2
EBITDA	34.4	18.0	66.4	21.5	19.3	13.4
NP	36.5	22.6	76.5	15.5	14.1	15.2
Normalized profit	37.8	22.1	75.5	16.5	14.0	15.2
EPS	36.5	22.6	76.5	(42.3)	14.1	15.2
Normalized EPS	37.8	22.1	75.5	(41.7)	14.0	15.2
Profitability (%)						
Gross margin	13.2	12.6	13.4	13.4	13.6	13.7
Operating margin	4.6	4.7	6.1	6.2	6.5	6.4
EBITDA margin	5.2	5.5	6.6	6.6	6.9	6.8
Net margin	3.6	4.0	5.1	4.8	4.9	4.8
ROAA	14.5	16.2	20.9	17.3	17.2	17.6
ROAE	39.5	41.1	57.4	48.4	42.9	39.1
Stability						
Gross debt/equity (%)	171.3	137.8	201.2	164.2	137.1	110.9
Net debt/equity (%)	24.7	10.6	40.4	53.3	45.9	32.8
Interest coverage (x)	29.7	35.2	67.0	38.2	43.7	50.2
Interest&ST debt coverage (x)	0.7	1.4	0.8	0.7	0.8	1.0
Cash flow interest coverage (x)	14.0	34.4	(4.3)	8.1	27.1	29.2
Cash flow/interest&ST debt (x)	0.3	1.4	(0.1)	0.2	0.5	0.6
Current ratio (x)	1.3	1.3	1.2	1.2	1.2	1.4
Quick ratio (x)	0.4	0.5	0.6	0.5	0.5	0.6
Net debt (Btmn)	834	410	2,144	3,869	4,098	3,783
Per share data (Bt)						
EPS	1.0	1.2	2.2	1.3	1.4	1.7
Normalized EPS	1.0	1.2	2.2	1.3	1.4	1.7
CFPS	0.6	1.5	(0.2)	0.3	1.2	1.3
BVPS	2.8	3.2	4.4	3.0	3.7	4.8
Sales/share	27.8	31.1	42.6	26.1	29.8	34.4
EBITDA/share	1.4	1.7	2.8	1.7	2.0	2.3
DPS	0.8	1.0	1.0	0.8	0.6	0.7
Activity						
Asset turnover (x)	4	4	3	3	3	3
Days of receivables	10	8	19	22	22	22
Days of inventory	61	41	51	49	49	49
Days of payable	42	28	42	33	33	33
Cash cycle	29	22	28	38	38	38

Source: KGI Research

Profit & Loss

Year to Dec 31 (Btmn)	2019	2020	2021	2022	2023F	2024F
Revenue	33,362	37,306	51,126	62,733	71,448	82,583
Cost of good sold	28,946	32,596	44,281	54,298	61,715	71,302
Gross profit	4,416	4,710	6,846	8,435	9,733	11,281
Operating expense	2,925	2,986	3,761	4,703	5,380	6,312
Other income	28	47	28	160	282	326
Operating Profit	1,519	1,771	3,113	3,893	4,636	5,295
Depreciation of fixed asset	171	167	183	182	410	407
Operating EBITDA	1,690	1,938	3,295	4,075	5,046	5,702
Non-operating income	0	0	0	0	0	0
Interest income	0	0	0	0	0	0
Other non-op income	0	0	0	0	0	0
Non-operating expense	(52)	(53)	(48)	(103)	(103)	(103)
Interest expense	(52)	(53)	(48)	(103)	(103)	(103)
Other non-op expense	0	0	0	0	0	0
Equity income/(loss)	39	101	96	45	(130)	(127)
Pretax profit	1,505	1,819	3,161	3,835	4,403	5,066
Current taxation	(289)	(328)	(555)	(769)	(907)	(1,038)
Minorities	(1)	4	(2)	26	30	34
Extra item	(1)	4	22	(2)	0	0
Net profit	1,216	1,491	2,630	3,038	3,467	3,993
Normalized profit	1,217	1,486	2,608	3,040	3,467	3,993
EPS (Bt)	1.01	1.24	2.19	1.27	1.44	1.66
Normalized EPS (Bt)	1.01	1.24	2.17	1.27	1.44	1.66

Source: KGI Research

Cash Flow

Year to Dec 31 (Btmn)	2019	2020	2021	2022	2023F	2024F
Operating cash flow	732	1,829	(204)	839	2,790	3,006
Net profit	1,216	1,491	2,630	3,038	3,467	3,993
Depreciation&Amortization	171	167	183	182	410	407
Change in working capital	(655)	172	(3,017)	(2,381)	(1,087)	(1,393)
Others						
Investment cash flow	(331)	(1,602)	(326)	(1,209)	(747)	(843)
Net CAPEX	(175)	(141)	(292)	(440)	(400)	(400)
Change in LT investment	(161)	(164)	(98)	(772)	(215)	(275)
Change in other assets	5	(1,297)	64	4	(132)	(168)
Free cash flow	401	227	(530)	(370)	2,043	2,163
Financing cash flow	(156)	(659)	1,314	49	(2,273)	(1,848)
Change in share capital	0	0	0	300	0	0
Net change in debt	461	337	2,515	1,135	(473)	(462)
Change in other liabs	(617)	(996)	(1,200)	(1,387)	(1,800)	(1,387)
Net cash flow	245	(432)	785	(322)	(229)	315

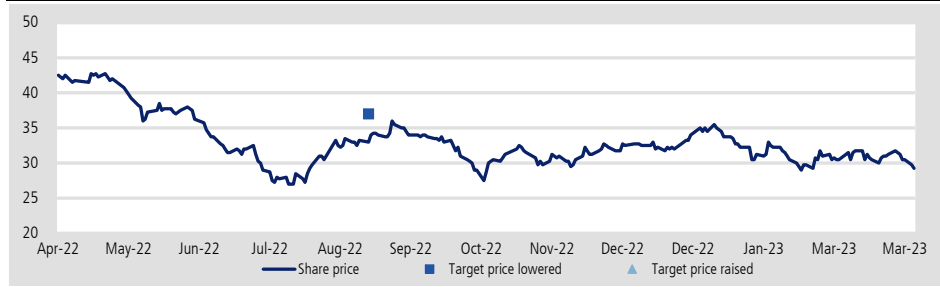
Source: KGI Research

Rates of Return on Invested Capital

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating expense}}{\text{Revenue}}$	=	Operating margin		
2020	87.4%	0.4%	8.0%		4.2%		
2021	86.6%	0.4%	7.4%		5.7%		
2022	86.6%	0.3%	7.5%		5.7%		
2023F	86.4%	0.6%	7.5%		5.5%		
2024F	86.3%	0.5%	7.6%		5.5%		
Year	1/ $\frac{\text{Working capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other assets}}{\text{Revenue}}$	=	Capital Turnover		
2020	0.0	0.0	0.2		4.0		
2021	(0.1)	0.0	0.3		3.9		
2022	(0.0)	0.0	0.3		3.7		
2023F	(0.0)	0.0	0.3		3.6		
2024F	(0.0)	0.0	0.3		3.6		
Year	1/ Operating margin	x	Capital turnover	x	Cash tax rate	=	After-tax return on Inv. capital
2020	4.2%		4.0		18.0%		3.0%
2021	5.7%		3.9		17.5%		3.9%
2022	5.7%		3.7		20.0%		4.2%
2023F	5.5%		3.6		20.6%		4.0%
2024F	5.5%		3.6		20.5%		4.1%

Source: KGI Research

COM 7 - Recommendation & target price history



Source: KGI Research

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORNBANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B. GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRISAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORNBANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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